Papers mills at Jogiroad and Cachar in Assam

740. SHRIMATI BIJOYA CHAKRAVARTY: Will the PRIME MINISTER be pleased to state:

(a) whether paper mills at Jogiroad and Cachar in Assam are running at losses;

(b) if so, what is the actual amount of losses incurred by the Jogiroad and Cachar paper mills during the last three years;

(c) what are the actual causes of loss, and

(d) whether both the paper mills have been directed by Government to observe cost effective control device?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) and (b) Yes, Sir.

	Net loss (Rs. in crores)		
	1988-89	1989-90	1990-91
(i) Nagaon Paper Mill (Jagiroad)	38·13	12·32	21·91
(ii) Cachar Paper Mill	46·83	46·88	38·38

(c) The reasons for losses are:-

(i) Long gestation period and high capital cost.

(ii) Low capacity utilisation on account of lack of infrastructure facilities, locational disadvantages, inadequate grid power, monsoon conditions, problems in utilities, etc.

(d) The performance of the mills is constantly reviewed by the Govt. and the Company is advised to take suitable remedial measures.

New raw material sources for paper industry

741. SHRIMATI KAMLA SINHA: Will the PRIME MINISTER be pleased to state:

(a) whether there is any plan to tap fresh raw material sources for paper industry in the country; and

(b) if so, what are the unconventional raw materials proposed for paper industry?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b) The Government encourages use of non-conventional raw material for the paper industry. For example, if a paper unit proposes to use such material to the tune of 75 per cent, it is exempt from compulsory licensing provisions. Non-conventional raw materials for paper industry include straw (from wheat or rice), bagasse, stalks, grasses, rags, jute and jute waste, hemp, kenaf, waste paper etc.

742. [*Transferred to the 4th December*, 1991].

Recommendation of scope on use of invested Funds for Modernising of Public Sector Units

743. SHRI SANTOSH BAGRODIA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Standing Conference on Public Enterprises has suggested that the funds generated by disinvestments in Public Sector Units